

Speeches

Draft of Statement for Congressman John E. Fogarty on Final Passage of Appropriations to Implement the Economic Opportunity Act of 1964

Now that appropriations to implement the Economic Opportunity Act have been cleared by the Senate, the War Against Poverty - one of the most challenging and important programs in the history of this nation - is scheduled to begin. This tremendous undertaking has important implications for Rhode Island, and for that reason, I am particularly glad to have performed the task of guiding the appropriations through the House of Representatives.

It was only ten short months ago that President Kennedy sent the first memorandum to his department heads asking for their comments on the feasibility of beginning an all-out attack on the problems of poverty. In the period since then, plans have been carefully laid for a broad, comprehensive approach toward eliminating poverty in our country. This will not happen overnight, but the very fact that we have begun is evidence that we intend to succeed.

There are many ways in which Rhode Island can reap the benefits of the Economic Opportunity Act.

The Work-Training Program under Title I will provide both income and job experience for our State's youth who would otherwise be permitted to drift. When this program becomes operative, many Rhode Island youngsters who are on the brink of dropping out of school because of financial reasons will

be able to remain. Those who have already dropped out but wish to return will be able to do so. A third group of youngsters, those who are not returning to school but who lack work, will be helped to obtain the experience and skills they need to increase their employability.

These things will be accomplished through a Neighborhood Youth Corps which will be operated for the new Office of Economic Opportunity by the Department of Labor. Contracts with local Rhode Island governmental units or private nonprofit organizations will be entered into for the purpose of developing and conducting work-training projects. These projects would place young boys and girls in full-time or part-time employment in hospitals, schools, libraries, children's homes, settlement houses, public and private welfare agencies, and so on. No persons in the older age group will be adversely affected as a result of these programs. Training will take place in occupations where there is an expanding demand for workers or in altogether new jobs in fields now developing. The keynote of this program, as with all the other programs in the War Against Poverty, will be local initiative and control. I am now taking steps to make certain that Rhode Island will be high on the list of states in which these projects will be conducted.

Another program of importance to young people in Rhode Island is the Work-Study Program, also under Title I. Rhode Island college students from low-income families will be given a chance, which they might not otherwise have, to begin on continue higher education.

The sum of \$296,218 has been earmarked for our State. From this amount, grants will be made in response to requests from our universities and colleges to operate part-time employment programs which will place deserving students in certain on-campus and off-campus jobs. The maximum earnings will be determined by the student's financial need, the rate of pay for the job he will hold, and the number of hours he is to work during the year. It is also wisely provided that no student may work more than fifteen hours during any week in which classes are in session, since his education comes first.

Rhode Island has its share of students who need this kind of assistance. Loans, scholarships and other aids are frequently not sufficient for the young man or woman who must be completely self-supporting.

The Work-Study Program will be delegated by the Office of Economic Opportunity to the Office of Education for administration. The program will make it possible for many able students from poor families to complete their education and go on to become leading citizens.

The communities of Rhode Island will also have the unique opportunity of developing broad community action programs to fight poverty by mobilizing public and private resources for a direct attack at its root causes in the various cities and towns of our State. A basic amount of \$933,101 is allocated to Rhode Island for this purpose, but it is more than likely that considerable additional funds will be available from such sources as the monies reserved for distribution by the Director of the Office of Economic Opportunity, Sargent Shriver, who knows the problems of this State and who visited here this June for the Providence College Commencement, from monies set aside for research and training, from monies earmarked for technical assistance, and from the many other Federal programs which will give special priority to communities which have developed comprehensive programs to fight poverty. Just how much these additional funds will amount to will depend upon the readiness of Rhode Island communities to respond to the challenge presented by the Economic Opportunity Act.

The concept of Community Action is dynamic and exciting. The legislation passed provides up to ninety percent Federal financing for programs undertaken as part of a comprehensive community drive to end poverty. Since the problems of poverty are seen as a close-knit series of social ills, it stands to

reason that their alleviation will require an equally close-knit series of remedies. Therefore, a community action program ~~will~~ ^{COULD} involve efforts in such areas as remedial reading, health services, literacy courses, job training, homemaker services, employment counseling, vocational rehabilitation, and many more. Each community or group of communities carrying out such a broad program must pool its local talent so that business, labor, government, public and private schools, SERVICE organizations, welfare agencies, the poor themselves, and other community elements are united in their willingness to work together to achieve positive results.

I pledge my all-out efforts, not only to cooperate with these communities to the fullest extent possible, but also to work on their behalf with the Office of Economic Opportunity to make sure that our State will be one of the leaders in effectively combating the difficulties of poverty which face almost 37,000 of Rhode Island's families and which indirectly affect us all through loss to the State's economy.

The second part of Title II provides for Adult Basic Education and Literacy Training. Too many Rhode Islanders are handicapped by sheer inability to read and write. Our State will receive \$101,109, from which grants will be made to provide elementary level education for adults, with emphasis on the skills of speaking, listening, arithmetic, citizenship, health practices, consumer knowledge, human

relations, and home and family living. These skills will be taught in addition to reading and writing. The training received under this program will increase opportunities for more productive and profitable employment, and give those enrolled in it a better chance to meet their adult responsibilities.

Our State Department of Education will be responsible for administering the program through a State plan approved by the U. S. Commissioner of Education, who will be delegated this task by Director Shriver. The Department of Education will, in turn, work through local school boards.

Under Title IV of the Act, small business concerns in Rhode Island which have been unable to meet normal credit requirements may be assisted under a special program of loans and loan guarantees.

These loans, up to \$25,000 and repayable in fifteen years, will be directed mostly toward retail and service enterprises - generally employing three or fewer persons - such as luncheonettes, filling stations, drugstores, barbershops, delicatessens, beauty parlors, shoe repair establishments, furniture movers, dry cleaners, and the like. Due to their limited resources, many enterprises of these kinds have been unable to strengthen or expand their operations, and this has been one cause of poverty found in many urban areas.

The Small Business Administration, by delegation of Director Shriver, will implement this program with existing capital. The legislation provides that where a bank will make the loan, SBA may guarantee or participate in it. If no bank can be involved, it will be possible to make a direct government loan.

A key aspect of this program is that the good character of the applicant, plus reasonable ability to repay, will be considered as more important than collateral. Primary emphasis will be placed on making loans which will create jobs and raise the living standards of the long-term unemployed or under-employed. Applications will be accepted only from disadvantaged persons or those on the verge of poverty, and only in those areas where community action programs have been developed in accordance with Title II of the Act.

Title V, which provides for Work-Experience Programs for those receiving some form of public assistance, is of particular interest to Rhode Island. We all know that those on public welfare, no matter how deserving, constitute a liability to themselves and to their communities. While Title V does not contain a formula to make allotments to States, and while it is impossible at this time to estimate with any certainty the number of persons or the amount of money that is likely to go to a particular state, if we take

into account that Rhode Island has a program of Aid to Families With Dependent Children and has no Community Work and Training Program in operation, it would appear that a proportionate share of funds under Title V would provide work experience and other training for about eight hundred to nine hundred individuals. If members of families are considered, a total of thirty five hundred to four thousand persons would benefit. Therefore, Rhode Island could well receive an estimated \$800,000 to \$900,000 for work experience programs. I am now taking steps to establish just what Rhode Island can expect by way of funds for such experimental, pilot, or demonstration projects. Monies under this Title of the Act will be transferred by Director Shriver to the Department of Health, Education, and Welfare which will operate the program.

The Economic Opportunity Act establishes under Title VI a type of domestic Peace Corps to be called Volunteers in Service to America (VISTA). Volunteers will be recruited in Rhode Island and throughout the country to work in community action programs in such capacities as workers at children's day-care centers, as aides, in literacy classes for unemployed adults who cannot read or write, as family advisors to those overwhelmed by red tape which often blocks the way to public health, welfare, and legal services, and in many other capacities, both here in Rhode Island and in other areas of the nation. Volunteers must be eighteen or over and will receive

a monthly living allowance while in service, and \$600 at the end of the standard one-year tour of duty. Married couples are eligible, and all volunteers can request service in a specific geographical area.

I am proud of the part I was able to play in the authorization and appropriation phases of the Economic Opportunity Act of 1964. I believe that Rhode Island occupies a singularly fortunate position to benefit from this measure. We are compact; eighty percent of our population lives within fifteen miles of the Providence City Hall. Our State's population is made up of several different national and ethnic groups and yet is stable. A close working relationship has existed over the years among local, State, and Federal governments. We have a head start on community planning and development in that Providence began a fifteen year master plan for the social, economic and physical renewal of the city and the Providence Youth Progress Board is now engaged in planning a comprehensive delinquency program. Both these projects are examples of the many things we are doing and can do here in Rhode Island.

With the continued interest and cooperation of everyone in our State, we can use the Economic Opportunity Act as a means of improving the lot of our less fortunate fellow citizens, and, by so doing, strengthening the social conscience and economic welfare of us all.